

Green Principles for an EU-funded Project

Showcasing best practices
towards climate neutrality

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Introduction

Significant amounts of European Union (EU) resources are devoted to supporting public investments and a wide range of projects through the Cohesion Fund, European Agricultural Fund for Rural Development, European Regional Development Fund, European Social Fund, Life, and Recovery and Resilience Fund. As a funder, the EU has the responsibility to ensure that the resources disbursed go to their stated purpose. If properly invested, EU funds under these programmes could build a new culture of sustainable development, contributing to the European goal of reaching zero emissions latest by 2050. However, oversight is not always easy, and ensuring transparency is difficult.

[We are a group of NGOs](#) concerned that the use of EU funds sometimes goes counter to the stated aim. We believe that highlighting good practices can play a crucial role in providing municipalities and regions examples to follow and emulate. We would like our lessons learnt to positively influence guidelines at the EU level, as well as for national agencies writing calls for projects.

We hope that our recommendations can help build stronger trust between organizations implementing projects and the broader community, while also increasing confidence in EU institutions. Sometimes, we observe a lack of expertise in managing the grants in line with stated objectives and in monitoring projects' implementation. Given the numerous examples of malpractice, we feel it is important to provide positive ideas of how EU-funded projects in countries of Central and Eastern Europe (CEE) can be a success.

1. Public engagement – Local communities must be actively involved in EU-funded projects

Projects that involve citizens directly stand a greater chance of being successful. Social and environmental objectives were more often achieved in projects including greater citizen participation.

- A. **Local involvement can bring new and different social actors to make a difference.** The projects “[Waste Management in Vsetín](#)” and “[Intelligent Waste Management System in Šitbořice](#)” aimed at raising awareness of waste management among different stakeholders in two municipalities in Czechia, including schools, private actors, and citizens. In this way, they managed to reduce the volume of municipal waste and to share the best practices among the whole community.
- B. **Participatively planned projects can shape more liveable spaces.** In Trnava, Slovakia, [the revitalization of the Agátka housing estate](#) was conducted following a remarkable demonstration of a participatory planning process. Citizens could express their suggestions by attending public meetings and providing inputs through special questionnaires, whose results were included in the urban development project. In this way, several climate change adaptation and stormwater management measures were provided, including a 250-metre-long stream, a community garden, wooden play elements and other green features.
- C. **More participatory projects better reach and help people in need.** “[Solar Powered e-mobility for the elderly, run by a local energy coop and the municipality](#),” highlighted how a simple — but energy-efficient transport service — could help older people enjoy clean transport in Loški Potok, Slovenia. One more Slovenian good example came from [Zero500: subsidising measures to reduce energy use in 500 low-income households to solve energy poverty](#). The grants, that were co-financed from the Cohesion Fund, covered 100% of the investments in thermal insulation, energy-efficient fittings, and water heating systems for energy-poor inhabitants. This project highlighted the potential of renovation to tackle energy poverty.

2. Local administrative capacity – Good projects work hand-in-hand with local administration

EU-funded projects benefit not only from ownership by citizens but also by regional and local governments. Inter-institutional support can lead to more effective use of EU funds that might otherwise be postponed, blocked, or only have a short-term effect.

- A. **Institutions can cooperate between them in reaching national goals.** The “[National Administration Support for Climate Adaptation in Cities](#),” in Poland, involved the Ministry of Environment in the preparation of municipal plans for adaptation for the 44 cities participating in the project and initiated similar activities at the local level. Cities and other local authorities received external expertise and developed a final document to help them manage the climate change adaptation process.
- B. **Regional centres can provide a platform for knowledge sharing and best practices.** The “[Regional Energy Centres](#)” (RCUEs) in Slovakia are a good example in this sense: they will support the implementation of the National climate and energy goals at regional and local levels from 2024 to 2029. The RCUEs will also provide low-carbon strategies and support local governments within subregions through technical support and transfer of experience.
- C. **Knowledge sharing between single municipalities can lead to successful results.** A remarkable example is provided by “[Life Logos 4 Waters Project: In Cooperation for Climate-Conscious River Basin Management](#),” which coordinated water management and retention programmes in several Hungarian municipalities to better address common problems, disseminating several natural water retention measures at the basin level. Consequently, municipal decision-support systems could increase their capacity to access and manage national and EU funds.

3. Save energy first – Building renovation and renewable heating as priorities

Energy-efficient building renovation and renewable heating must go hand in hand. The EU has fixed itself an aim of decreasing buildings' greenhouse gas emissions by at least 60% by 2030. If properly managed, EU-funded projects can help in a successful energy transition by increasing access to clean energy and infrastructures.

- A. **Promoting the benefits of building renovation among citizens can foster greater awareness of energy-saving measures.** [REnoHub: one-shop-stop offices boosting the energy efficiency renovation of residential buildings](#) provided information centres and hubs in Hungary to better communicate appropriate investments in private buildings. Residents were offered information on energy retrofits as well as individual assessments and technical advice.
- B. **The involvement of private actors in building renovation needs a strict focus on climate change objectives to avoid expensive presents to home-owners.** A good example in this sense is "[Energy Service Contracting \(ESCO\) of public buildings in the capital Ljubljana](#)," in Slovenia. Here, an energy retrofit of 48 public buildings (schools, sports halls, municipal buildings and others) was carried out by two firms using an energy performance contract model.
- C. **Public schools' refurbishment can raise awareness of the benefits of sustainable solutions for the new generations.** "[Raising the energy efficiency of a high school building in Negrești-oas](#)," Romania, ensured the thermal insulation of a school, a new heating system, and the renewal of the electricity network. Annual non-renewable energy use and greenhouse gas (GHG) emissions were reduced, respectively, by 87% and 67%. Two more good examples in this regard came from Czechia. "[An energy-efficient kindergarten in Sedlejev](#)" was built in passive standard with minimal energy consumption and provided with heat pumps, heat recovery ventilation systems, and retention tanks to catch rainwater. The [Elementary School in Psàry, the first passive energy school in Czechia](#), was provided with a design that relies on natural light, insulation, and ventilation to regulate its temperature. In addition, the inclusion of a community centre and a gym has fostered the bond between the citizens and this extremely energy-efficient building, allowing more people to know about it and enjoy its benefits.

4. Climate adaptation – EU-funded projects should be resilient and climate-friendly

EU-funded projects must consider the rapidly changing climate to withstand possible adverse effects and to provide long-term benefits. More climate-friendly solutions can be achieved only in projects that show a proper consideration of the natural needs of the environment.

- A. **Promoting more blue infrastructures can create local cooling spots.** [A water retention pond in the city of Warsaw](#), Poland, was an outstanding example in this sense. Due to a local river's frequent flooding, a non-functioning pond was revitalised and expanded with the help of EU Regional funds. The project eventually included a park for the citizens, feeding and breeding grounds for migratory birds, and a water turbine to generate electricity.
- B. **Green spaces can reduce urban heat islands.** "[Green Lungs of the City – Revitalization of Úspech Park Trenčín](#)," Slovakia, revitalized the urban elements and green infrastructures in a local park, improving the resilience of the built environment to the negative impacts of climate change and reducing the urban heat island effect. Another example is [Climate resilient cities – greening and shading of the footbridge on Starohájská Street in Trnava](#), Slovakia. This project consisted of the construction of a series of shade structures, climbing vegetation and wooden slats that could help residents move during periods of intense heat.
- C. **Other climate adaptation measures in urban environments attempt to cope with periods of rainfall** — using rain gardens, permeable pavements and minimizing the area covered by asphalt. These measures reduce vulnerability and increase adaptive capacity to the impacts of extreme rainfall. The project "[Life in runoff – urban climate adaptation in the field of precipitation management in Budapest](#)," Hungary, demonstrated that a proper assessment can identify intervention points of stormwater management in different districts of the city, sharing them with several stakeholders. In this way, rainwater could become an asset for the whole community.

5. Public transport – Transportation projects must promote zero emissions solutions

Transitioning to a zero-emission transport system has become a global imperative. We have identified several best practices that focus on providing financial support for infrastructure, as well as promoting a transition towards modes of transport that are environmentally and socially more responsible.

- A. **Investing in the electrification of mass rapid transit is a major issue in several EU countries.** In Czechia, the project “[Electrification of railways](#)” is part of a broader strategy: it includes investments in the electrification and security of buildings and railway lines through the implementation of EU Funds in the whole country. It also provides traction power at substations to ensure the capacity to handle an increased volume of rail traffic. Another good example comes from the [extension of the Sofia metro network](#) in Bulgaria. This newly built section is expected to initially carry around 25 000 to 30 000 more passengers per day — a number that is expected to quickly increase to 45 000. It will make an important contribution to reducing air pollution and traffic congestion.
- B. **It is better to invest in urban electric bus fleets than private electric cars.** [Vratsa municipality’s project to modernise urban transport and improve air quality](#) in Bulgaria not only included new electric buses and trolleybuses but developed a whole strategy to increase the share of users of public transport. In addition, proper cost-benefit analyses and scientific calculations gave this project a boost in reaching its ambitious goals. Another good example is [the local public transport infrastructure in Tîrgu Mures’ municipality](#), Romania. This project reduced the use of private cars through a new urban mobility plan that included a less impactful public transport system. The renewal of vehicles with environmentally friendly buses was co-financed by the European Regional Development Fund.
- C. **Active transportation options and infrastructures for both pedestrians and cyclists can encourage people to embrace more sustainable choices.** In this regard, three remarkable cases come from Slovakia. “[Increasing Urban Mobility by Building a Network of Cycling Infrastructure in Trenčín](#)” designed a network of interconnected bike paths to link the city districts with neighbouring municipalities. “[Bike racks for schools – Promoting cycling in schools](#)” and “[automatic Parking House For Bicycles at Trnava Railway Station](#)” increased the bike-parking capacity to make cycling a habit for future generations and promote hybrid transport solutions.

6. Mistakes to avoid – Malpractices that might as well be teaching

Our main aim in this paper is to highlight success factors and provide examples of best practices. Nevertheless, it is difficult to avoid highlighting some of the most frequent problems in EU-funded projects. These short points should serve to underline the importance of the success factors we described above.

- A. **Projects without clear societal benefits have received EU funds.** In Hungary, for example, several lawsuits have been filed against the investments near the lakes Balaton, Fertő-tó and Öreg. This ecosystem has been repeatedly damaged by a hotel construction planned by a subsidiary of Hell Energy Company, a lucrative energy drink producer. This business has received more than [30 million euros in EU funds over nine years](#), including the construction of an industrial park on a 50-hectare greenfield site. Some projects were even given “priority investment” status, making both public participation and oversight by independent authorities almost impossible.
- B. **Some projects have been closed although several parts were not completed as planned.** In Hungary, a [non-functional, oversized rainwater reservoir built in an unsuitable protected area, using unsafe materials](#) in Zsombó was funded despite signs of corruption at the local level. The project was closed although the constructed dam was not able to retain water. The extracted soil still lies abandoned in the middle of the designated working area. It should not be possible to terminate a project if several parts of it are not completed as planned. If criminal charges are proven, public funds should be withdrawn, and the costs borne by the responsible legal entity.
- C. **The lack of proper outreach and communication with local communities can jeopardize the climate-related goals of EU-funded projects.** [The modernisation and development of sustainable urban transport](#) in the Bulgarian city of Stara Zagora provided the implementation of bus lanes on a narrow road, making the traffic even more intense than before. The project resulted in public disapproval, with protests that helped raise society’s awareness of the importance of a healthy environment and broader engagement of the citizens.
- D. **As more EU funds are marked for climate-friendly solutions, the risk of greenwashing rises.** In the municipality of Litija, Slovenia, [a road and a cycling infrastructure project were combined](#) and the resulting project was deemed “sustainable energy use” and classified as an investment in “bicycle and pedestrian paths” despite the project actually mainly consisting in resurfacing of road surface.

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This set of recommendations can help build stronger trust between organizations implementing projects and the broader community, while also increasing confidence in EU Institutions. Given the numerous examples of malpractice, it is important to provide positive ideas of how EU-funded projects in countries of Central and Eastern Europe can be a success.